



DEPARTMENT OF ECONOMIC SECURITY

Your Partner For A Stronger Arizona

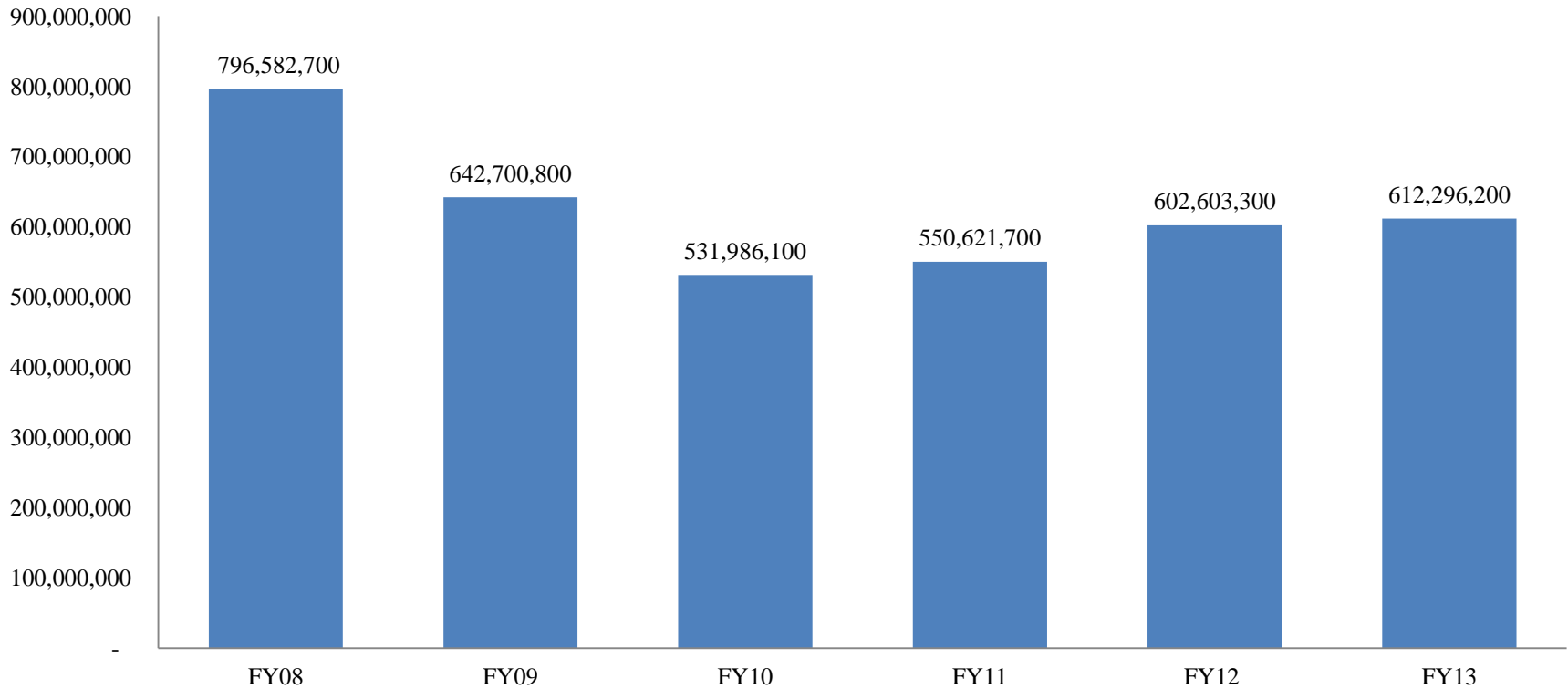
Department of Economic Security

Fiscal Year 2014

Budget Request

October 15, 2012

General Fund Appropriation History



A portion of the GF reductions beginning in FY09 was offset by increases in federal funds, most notably through the federal stimulus, or ARRA; however, these federal funds have expired.





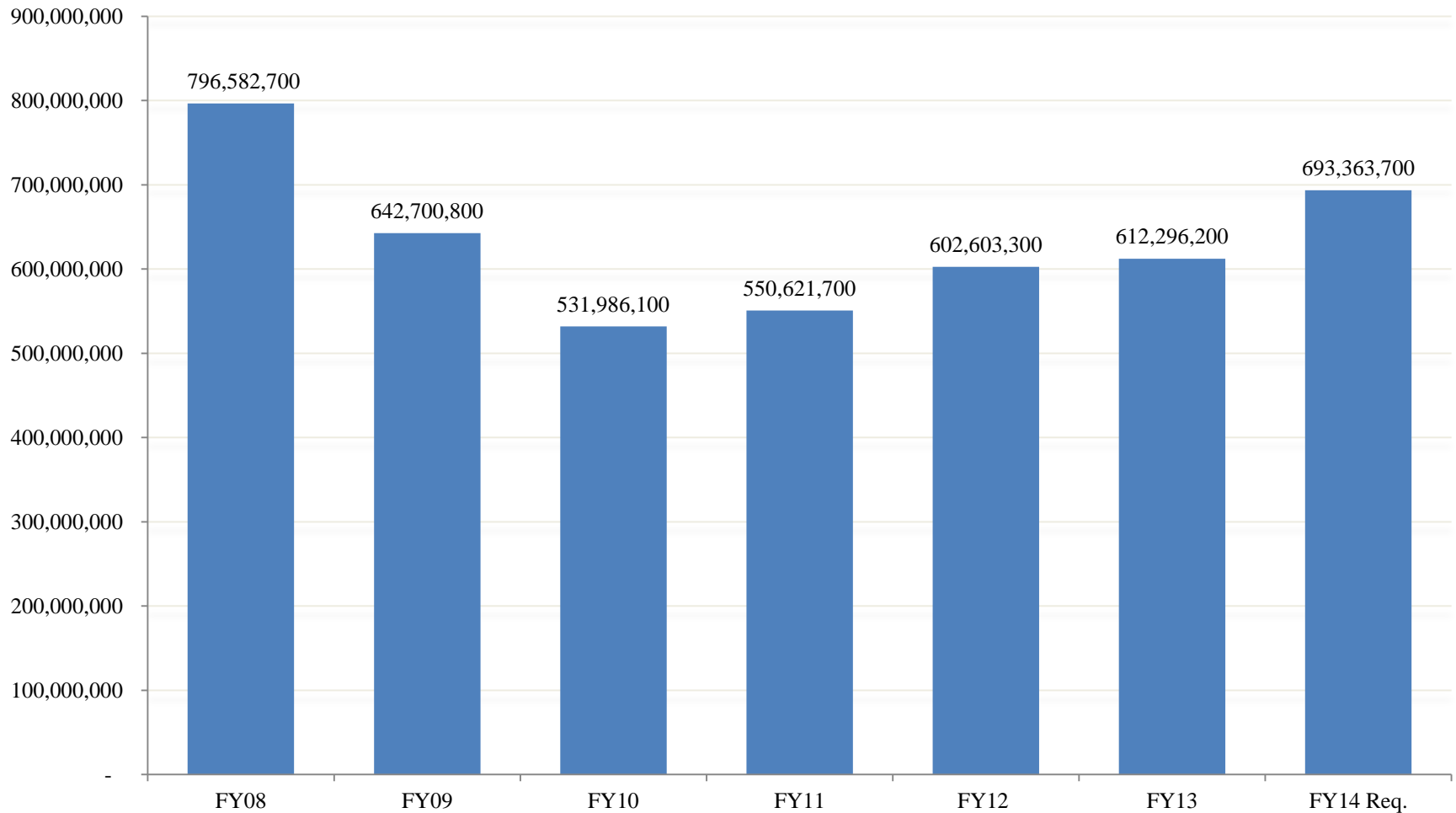
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Fiscal Year 2014 Request



Fiscal Year 2014 General Fund Request



Fiscal Year 2014 General Fund Request

	<u>General Fund</u>
FY 2013 Base GF Appropriation	612,296.2
Child Safety and Permanency	49,529.4
Health & Safety Caseload and Cost Growth	21,921.7
Federal and Other Fund Backfill	9,616.4
Technical Adjustments	0.0
Requested FY 2014 GF Appropriation	<hr/> 693,363.7

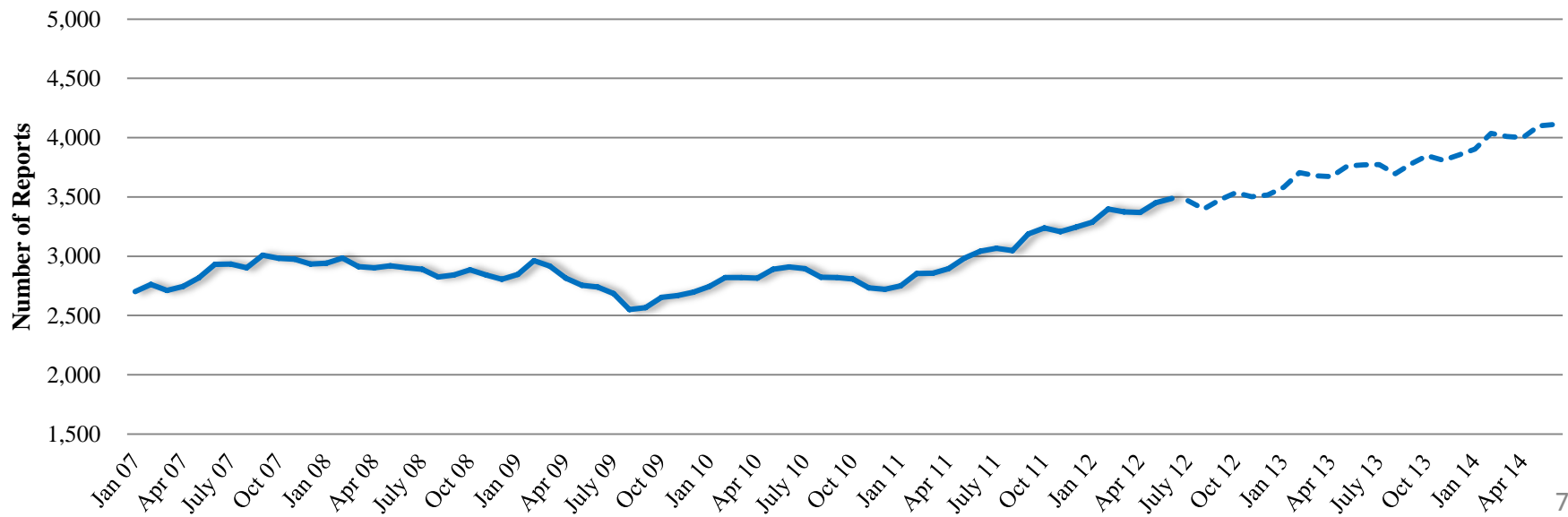


Child Safety and Permanency



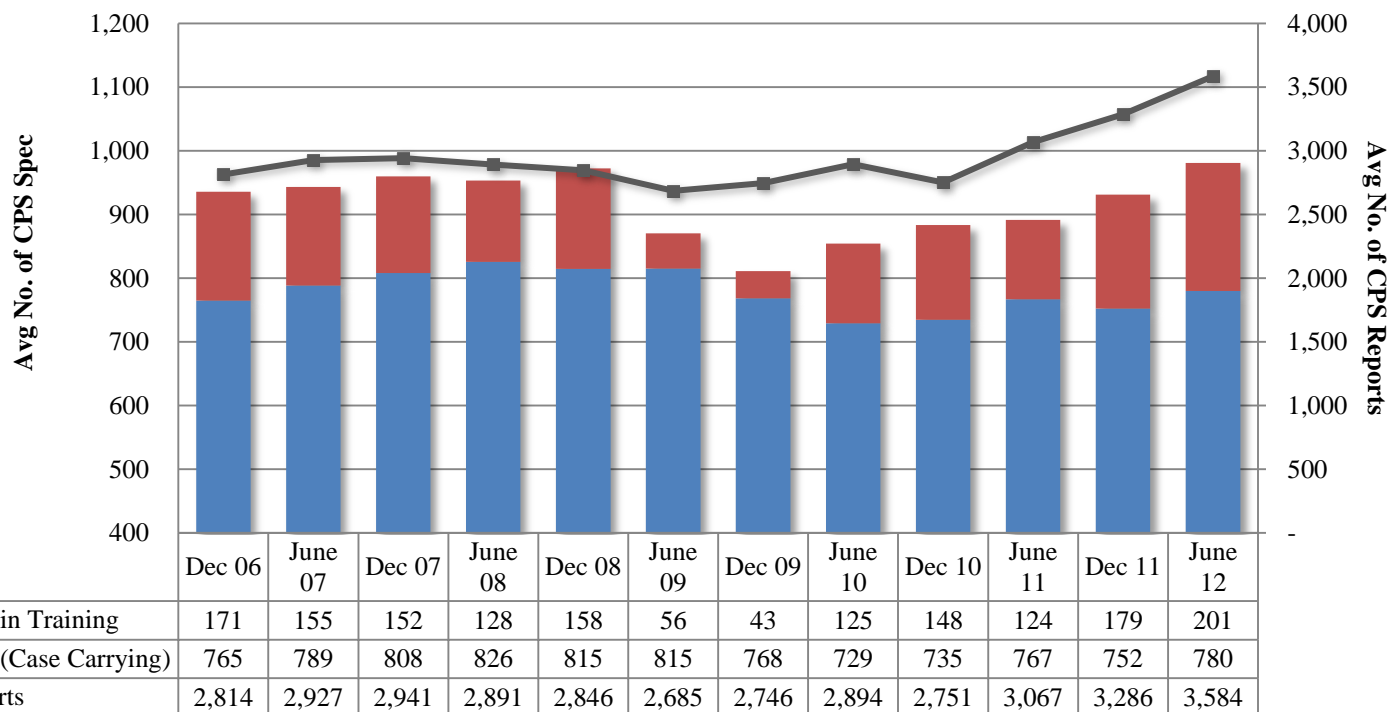
Child Safety and Permanency

- \$49.5 million GF in FY 2014 to maintain child safety and permanency efforts
 - CPS Staffing – \$10.8 million
 - CPS Emergency and Residential Placement – \$29.7 million
 - Foster Care Placement – \$4.8 million
 - Adoption Services – \$4.2 million
- Rapid rise in reports to CPS hotline (17% in FY 2012)



CPS Staffing

- Staffing: \$10.8 million GF for 200 total staff
 - 124 new caseworkers plus support staff
 - Funding to be phased in over 2 years



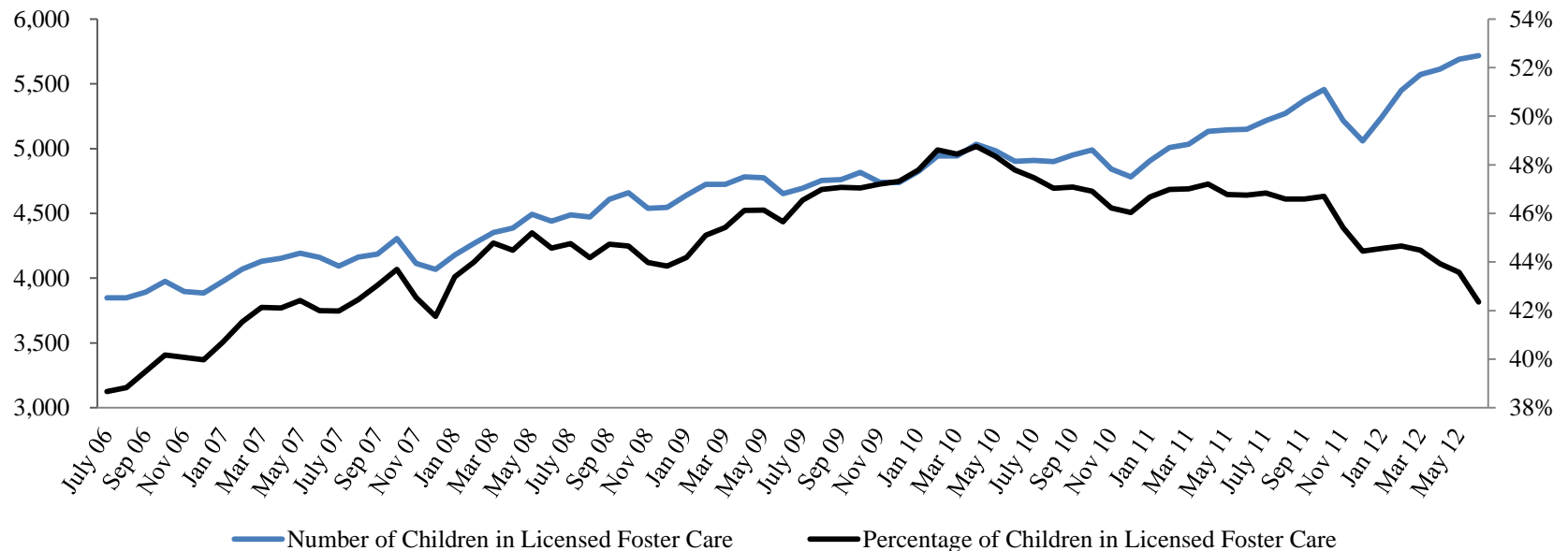
CPS Staffing

- Efforts to increase effectiveness of recruiting
 - Centralized hiring process
 - Improved onboarding process
- Efforts to improve efficiency of investigation and case management processes
 - CPS hotline improvements including tailored scripts
 - Improved review of cases to help achieve permanency
 - Reduced time to complete an investigation



Out-of-Home Placements

- Overall children in out-of-home care increased 13% in FY 2012
- Available foster homes have declined 12% since FY 2009
- Saturation of foster home capacity has led to use of more expensive emergency and residential placements



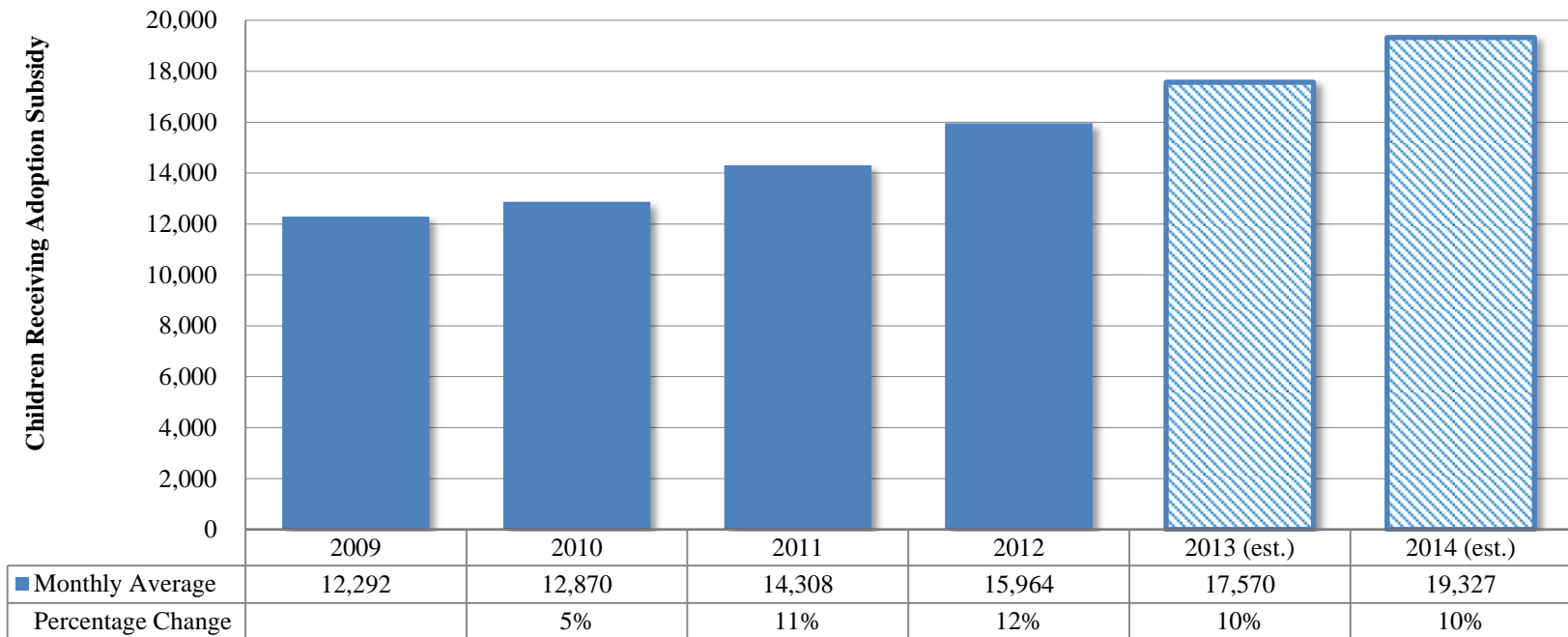
Out-of-Home Placements

- Emergency and Residential Placements: \$29.7 million GF (16.4% growth for FY 2014; backfill of exhausted federal funds used to fund growth in FY 2013)
- Foster Care Placement: \$4.8 million GF (9.6% Growth)
- Growth will continue, but we're working to mitigate it
 - Increased focus on foster home recruitment and retention
 - Expanded partnerships with faith and community-based groups
 - Improved foster family onboarding and training
 - Better utilization of existing foster homes
 - Receiving homes for short-term placements while a longer term placement is sought
 - Enhanced rates for older and more difficult-to-place children



Permanency

- Adoption Services: \$4.2 million GF for 10% growth
 - Availability of \$5.1 million federal performance incentive award reduces need from \$9.3 million in FY 2014

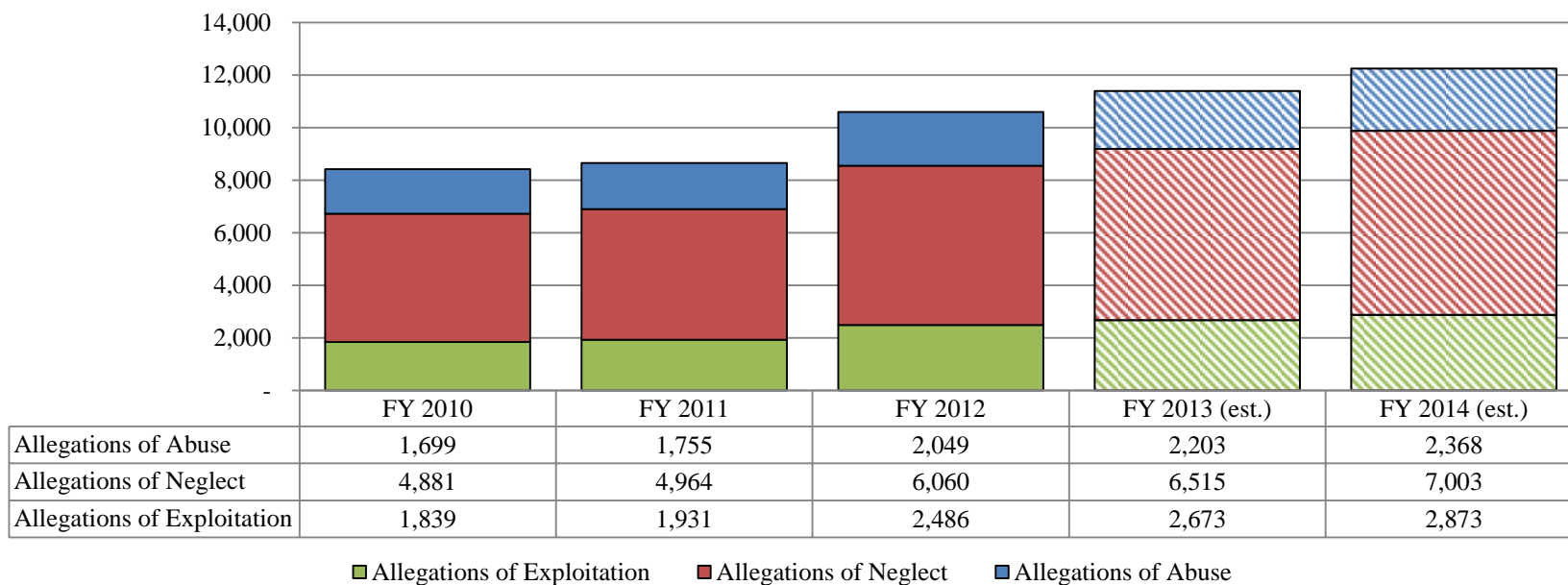


Health and Safety Caseload and Cost Growth



Adult Protective Services Staffing

- \$2.6 million GF for 34 additional staff
 - 21 APS caseworkers plus support staff
- In FY 12, reports of abuse, neglect and/or exploitation rose 28%
- Anticipated 7.5% growth in FY 13 and FY 14



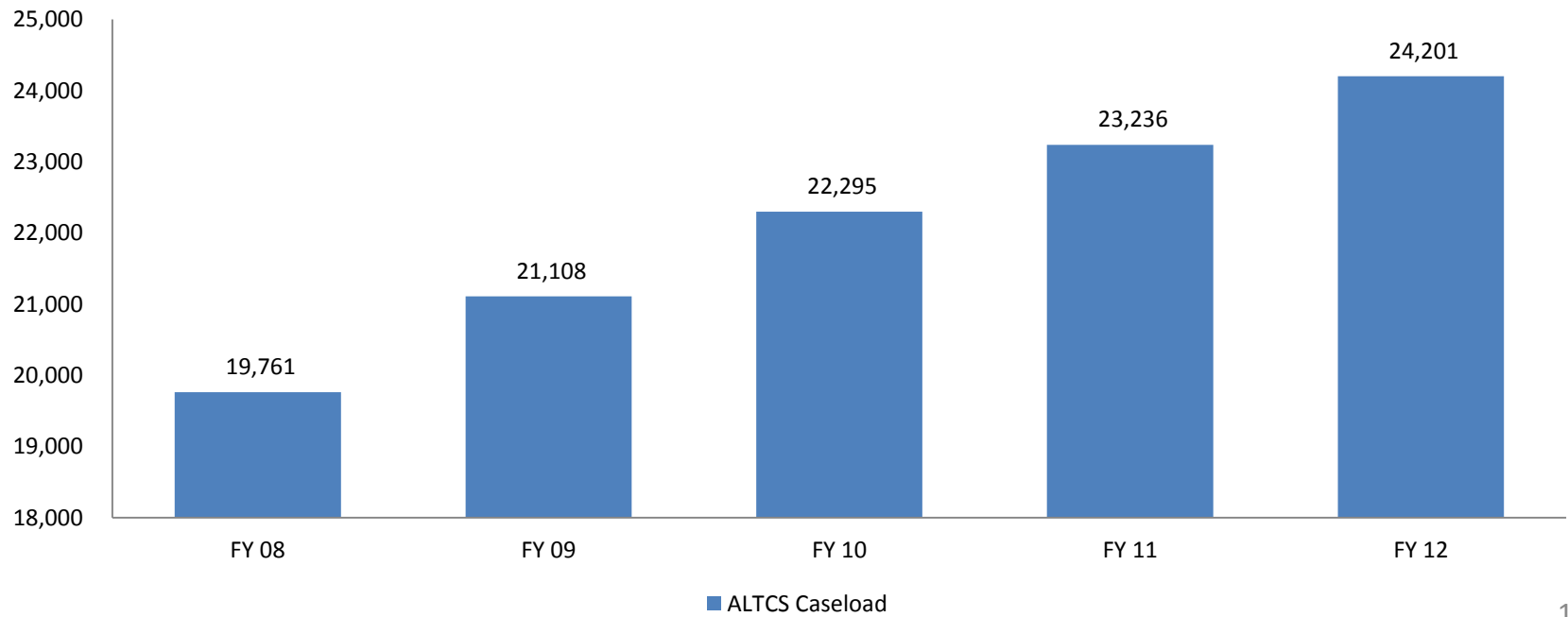
Adult Protective Services Staffing

- Average caseload per investigator peaked in FY 12 at 69 cases
- Proposed staffing increase would reduce caseload to 56 cases per caseworker
- APS is implementing process improvements
 - Consolidated office from 31 to 28
 - Equipping staff with up-to-date technology for in-field documentation
 - Improved reporting and quality monitoring
 - Online reporting for 24-hour reporting capability



ALTCS Caseload & Provider Rate Growth

- \$14.7 million GF for 4.5% caseload growth in the Arizona Long-Term Care System (ALTCS) in FY 2013
- \$4.5 million GF to annualize 2% provider rate increase
 - Enacted in FY 2013 budget for 4th quarter of FY 2013



Federal and Other Funds Backfill



Federal and Other Funds Backfill

- \$9.6 million GF to backfill one-time FY 2013 funding
 - FY 2013 budget appropriated \$44.2 million from LTC fund balance
 - Availability of TANF Contingency Funds reduces need for backfill
- \$1.6 million Special Administration Fund for 11 Unemployment Insurance collectors and 4 investigators
 - Previously funded with federal UI administration funds
 - Each collector can bring in \$650,000 to \$800,000 per year
 - Over \$180 million in payments, penalties and interest in collection status



Technical Adjustments



Technical Adjustments

- Shift Coordinated Hunger line to DBME
- DAAS name change
- Hualapai Tribe TANF Program
- Unemployment Insurance Benefits





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Questions?